

HEARING DATE AND TIME: November 30, 2006 at 10:00 am
RESPONSE DEADLINE: November 24, 2006 @ 4:00 p.m.

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In Re:)	
)	Chapter 11
)	
DELPHI CORPORATION, <u>et al.</u> ,)	Case No. 05-44481 (RDD)
)	
Debtors.)	(Jointly Administered)
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**RESPONSE AND OBJECTION OF SPCP GROUP, L.L.C., AS
ASSIGNEE OF TEXTRON FASTENING SYSTEMS CANADA, LTD., TO
DEBTORS' (I) THIRD OMNIBUS OBJECTION (SUBSTANTIVE) PURSUANT TO 11
U.S.C. §502(b) AND FED. R. BANKR. P. 3007 TO CERTAIN (A) CLAIMS WITH
INSUFFICIENT DOCUMENTATION, (B) CLAIMS UNSUBSTANTIATED BY
DEBTORS' BOOKS AND RECORDS, AND (C) CLAIMS SUBJECT TO
MODIFICATION AND (II) MOTION TO ESTIMATE CONTINGENT AND
UNLIQUIDATED CLAIMS PURSUANT TO 11. U.S.C. § 502(c)**

SPCP Group, L.L.C., as Agent for Silver Point Capital Fund, L.P. and Silver Point Capital Offshore Fund, Ltd. (collectively, "SPCP Group"), as assignee of Textron Fastening Systems Canada, Ltd. ("Textron"),¹ by its undersigned counsel, hereby submits this Response and Objection (the "SPCP Group Response") to the above captioned debtors and debtors-in-possession (collectively, the "Debtors") (I) Third Omnibus Objection (Substantive) Pursuant To

¹ Pursuant to an assignment agreement dated June 6, 2006, Textron assigned all of its rights title and interests in and to, *inter alia*, Claim No. 14145.

11 U.S.C. §502(b) and Fed. R. Bankr. P. 3007 To Certain (A) Claims With Insufficient Documentation, (B) Claims Unsubstantiated By Debtors' Books And Records, And (C) Claims Subject To Modification And (II) Motion To Estimate Contingent And Unliquidated Claims Pursuant To 11. U.S.C. § 502(c) (the "Objection"), as such Objection relates to Claim No. 14145. In support of the SPCP Group Response, SPCP Group respectfully represents as follows:

BACKGROUND

1. On October 8 and 14, 2005 (as applicable, the "Petition Date"), Delphi Corporation ("Delphi") and certain of its affiliates (the "Affiliate Debtors"), debtors and debtors-in-possession (collectively, the "Debtors"), each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330 as amended (the "Bankruptcy Code"). The Debtors' cases are being jointly administered for procedural purposes only.

2. On or about July 31, 2006, SPCP Group, as assignee of Textron filed a proof of claim against Delphi Automotive Systems, LLC ("Delphi Automotive"), designated by the Debtors' claims agent as Claim No. 14145, in the amount of CAN \$17,994.00 ("Claim No. 14145", a copy of which is attached hereto as Exhibit "A"). In addition, annexed hereto as Exhibit "B" is a summary of the invoices issued by Textron for goods sold and delivered to the Debtors, without objection and without incident, which make up and support the amount of Claim No. 14145 (collectively, the "Supporting Claim Documents").²

3. On or about October 31, 2006, the Debtors filed the Objection, in which the Debtors sought to, *inter alia*, reduce the amount of Claim No. 14145 from CAN \$17,994.00 to US \$2,862.48.

² Both SPCP and Textron have filed other Proofs of Claim against the Debtors in connection with other claims/amounts owed by the Debtors to Textron (collectively, the "Other Textron Claims"). Nothing contained herein should be deemed to limit, waive or modify such Other Textron Claims or the amounts asserted therein.

**THE COURT SHOULD DENY THE RELIEF SOUGHT
IN THE CLAIMS OBJECTION AS IT RELATES TO CLAIM 14145
AND SUSTAIN THE SPCP GROUP RESPONSE**

4. The only basis asserted for the reduction in the amount of the claim that is asserted by the Debtors, without delineation as between the claims, are: (a) the asserted Claim was denominated in a foreign currency in violation of the Bar Date Order, (b) the asserted Claim states a claim for unmatured interest or post-petition interest on an unsecured claim, which interest is not allowed under 11 U.S.C. §§ 502(b)(2), 506(b); (c) the asserted Claim does not account for amounts that may have been paid or credited against such Claim prior to the commencement of these cases, (d) the asserted Claim does not account for amounts that may have been paid or credited against such Claim following to the commencement of these cases, and (e) the asserted Claim is misclassified as a priority or secured claim (collectively, the “Debtors’ Asserted Objections”). Although SPCP Group does acknowledge that the amount asserted in Claim No. 14145 is denominated in Canadian currency, SPCP Group, submits that it was not aware of such a provision being in the Bar Date Order and that its oversight is of no prejudice to the Debtors, as Claim No. 14145 provided the Debtors with more than sufficient information as to the basis of the Claim and the calculation of the amount asserted therein. In addition, the conversion of Canadian dollars to U.S. dollars is a function of simple arithmetic, which when applied to Claim No. 14145, using a conversion rate of 114%, CAN \$17,994.00 converts to US \$15,762.78, which amount is significantly higher than the \$2,862.48 that the Debtors have asserted. The Debtors fail to set forth its basis for reducing the amount of the claim to US \$2,862.48, nor do they identify, which, if any, of the other Debtors’ Asserted Objections apply to Claim No. 14145.

WHEREFORE, for the foregoing reasons, SPCP Group respectfully submits that

the Court should issue and enter an order (i) denying the Objection as it relates to Claim No. 14145 and allow Claim No. 14145 as an allowed general unsecured claim against the Debtors in the amount of US \$15,762.78 or (ii) alternatively, adjourn the hearing on the Objection, as it relates to Claim No. 14145 for thirty (30) days, so as to enable SPCP and Textron to review and reconcile the Debtors' documentation in support of the Debtors' Asserted Reductions; and (iii) granting SPCP Group such other and further relief as is just and proper.

Dated: New York, New York
November 22, 2006

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By: /s/ Maura I. Russell

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